



**Australian
Renderers
Association**

ARA Double Materiality Assessment

Executive Summary

Approach taken to deliver the Double Materiality Assessment (DMA)

This document has been prepared as a brief members' insights summary from the DMA recently undertaken by the Australian Renderers Association (ARA). The DMA covers both the rendering and used cooking oil (UCO) value chains and was undertaken to help create the evidence base for developing the first ARA Sustainability Framework. ARA is developing the Framework to support the industry in conveying its sustainability story and to support members in advancing their sustainability efforts.

The DMA was undertaken with reference to two specific global sustainability frameworks – hence 'double' materiality. These are the **Global Reporting Initiative** guidance to assess impact materiality (impacts the industry has on the economy, environment, and people) and the **Australian Accounting Standards Board** guidance on financial materiality (sustainability-related risks and opportunities that could affect the industry's financial performance).

The work followed a sequential process:



Scope of stakeholders

This work aimed to engage stakeholders from both the rendering and UCO value chains. Stakeholders engaged in the survey and consultations represented the end-to-end value chains of both sectors and ranged from single-site operators to multinational businesses. This provided a balanced set of views throughout the DMA process.



The DMA process identified 17 material topics to the industry

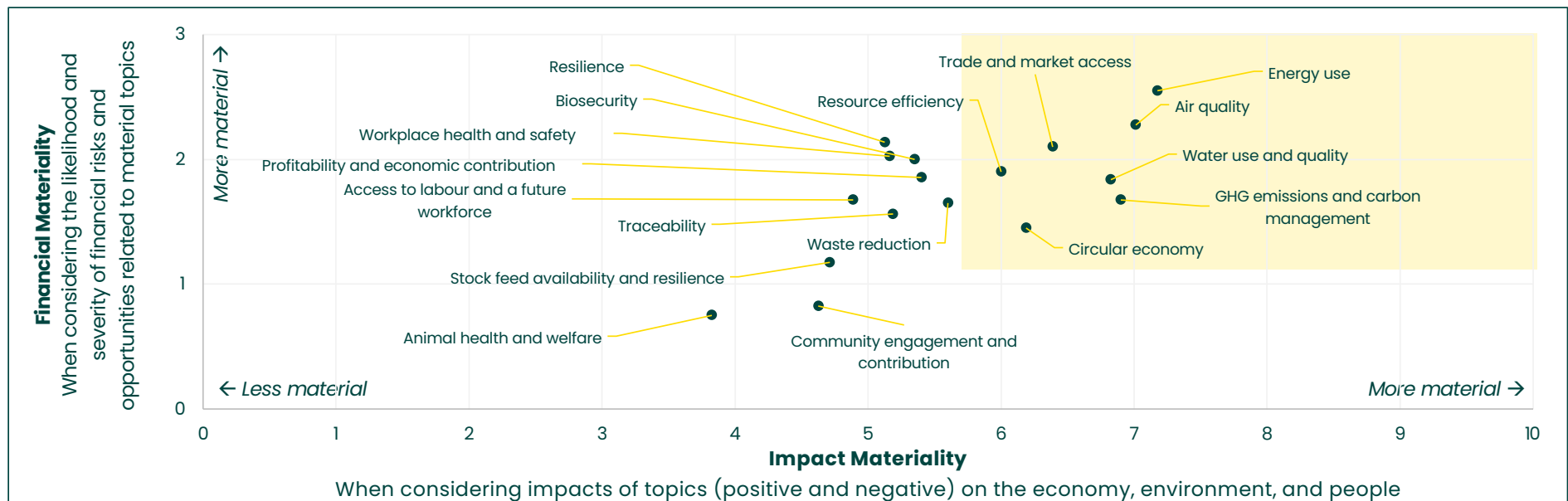
Of those 17 topics, the IAG helped to shortlist these into more material topics and less material topics. The more material topics are highlighted in yellow below. The 11th & 13th ranked topics, waste reduction and traceability, were manually included by the IAG based on specific qualitative feedback from the IAG and Steerco that there were topics growing in importance. It is not uncommon in an DMA process to 'manually' include additional material topics on the advice of key stakeholders.

Material Topics in ranked order; with prioritised topics highlighted in yellow			
1	Energy use	10	Profitability and economic contribution
2	Air quality	11	Waste reduction
3	Water use and quality	12	Workplace health and safety
4	GHG emissions and carbon management	13	Traceability
5	Trade and market access	14	Access to labour and a future workforce
6	Resource efficiency	15	Stock feed availability and resilience
7	Circular economy	16	Community engagement and contribution
8	Biosecurity	17	Animal health and welfare
9	Resilience		



The material topics, ranked by impact and financial materiality

The ranking of these topics by their materiality is presented in the below matrix with impact materiality on the x-axis and financial materiality on the y-axis. Thresholds separating more and less material topics were set by the IAG, with seven topics meeting the agreed criteria. The more material topics are highlighted in the yellow upper quadrant.



What does the DMA mean for developing the ARA Sustainability Framework

The DMA process has provided a rigorous foundation for developing our Sustainability Framework. The results have indicated what matters most to the industry, why it matters, and where ARA can add value through enabling actions and consistent communication to the public. When building the Framework, the DMA has also helped ARA to note that:

The industry requires a dual-purpose framework

- The Framework needs to be designed to benefit both ARA and members, and should provide both:
- I. External advocacy and reputation building, primarily for domestic markets and expanding in international and export-facing contexts.
 - II. Practical guidance and support for members, especially smaller operators.

The DMA identified a clear order for prioritisation of material topics

DMA prioritisation identifies ten key topics as the primary focus areas for the Framework, ensuring that it creates ambition and drives outcomes aligned with member and stakeholder priorities.

The shortlist of material topics are important to the industry

The Framework should initially focus on the prioritised topics. This ensures the Framework helps to focus time and resources on the areas of greatest importance and remains flexible and can evolve over time, while demonstrating ARA's awareness of other less material industry impacts, risks, and opportunities.

DMA insights reveal differing levels of maturity across the membership

The Framework should use the DMA prioritisation outputs to guide a staged roadmap, enable progressive implementation, and focus future guidance and resources on areas of greatest shared value.

The DMA has established a consistent language and set of definitions

The Framework has provided us with a set of consistent definitions of material topics. Establishing common industry sustainability topic definitions was identified as necessary for avoiding confusion and unnecessary complexity.





SPARE – could include SF slides below,
but probably not needed.



Developing a Sustainability Framework for ARA

Why develop a Sustainability Framework?

The Australian Renderers Association (ARA) has developed a Sustainability Framework to highlight the key role the rendering and UCO sectors play in reducing waste and creating value across Australia's food and agricultural supply chains.

As stakeholder expectations, regulations, costs, and trade requirements increase, members need to clearly and consistently show how they manage sustainability.

The Framework provides a simple, consistent approach to help the industry meet these expectations and strengthen its long-term resilience.

What is ARA's Sustainability Framework?

The ARA Sustainability Framework is an industry-led initiative that provides a clear, practical approach to sustainability. It brings together the key topics for the sector, creating a shared reference point.

The framework aligns environmental, social, and governance priorities and introduces a consistent structure and language for managing and communicating them. It outlines actions for ARA and offers flexible guidance for members based on their needs.

Importantly, the Framework establishes a strong foundation for measuring progress over time, helping the industry track performance and share its sustainability story with confidence.

How will it be used?

The Framework will be used as a foundation to guide coordinated action across the industry. As the first framework of its kind for the sector and recognises that sustainability is an emerging and evolving focus for many ARA members and caters for members of varying size and scale.

It's designed as a practical starting point, helping build capability, consistency, and performance across the industry over time, enabling members to progress at their own pace.

The Framework acknowledges the complexity of the industry, allowing for flexibility in application while maintaining a shared foundation for alignment, accountability, and progress.



ARA Sustainability Framework

Vision

A globally trusted and sustainable Australian animal rendering and used cooking oil recycling sector, recognised for transforming animal co-products and used cooking oil into valuable resources.

Strategic Focus Areas & Commitments

Value Chain Circularity

Keep co-products and other recoverable materials in productive use, minimise waste in our value chain.

Environmental Protection

Safeguard the environment by reducing GHG emissions and managing air quality

Resource Efficiency

Enhance resource efficiency across operations.

Market Access

Secure and expand market access for our products

Underpinned by: Our support for our people, our industry and our community

We recognise that a resilient and sustainable rendering and used cooking oil industry is underpinned by a capable and diverse workforce, thriving communities, and a robust, resilient value chain. We are committed to strengthening performance in these areas to protect and grow future demand for our products.

Enablers

Collaboration and Industry Engagement

Insights, Evidence and Communication

Capability Building and Enablement

Standards and Accreditation

Metrics: the way in which we will move towards monitoring our progress over time. See page 30-32.

